GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:146
ANSWERED ON:17.07.2017
Impact of US Visa Reforms
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India and the United States (US) have signed a fresh trade policy and if so, the details thereof along with the impact of the new US Government on the bilateral foreign trade agreement;
(b) whether the Government has taken any measures to protect Indian IT Service Industry from the effects of US H1B visa reforms and if so, the details thereof indicating the types of industries from India that are vulnerable to the changes taking place in the US visa programme;
(c) whether Indian offshoring activities would suffer therefrom and if so, the details thereof along with measures taken to mitigate the losses; and
(d) whether the Government has made strong efforts to strengthen ties between the two countries to ensure certainty and transparency in the US visa system and if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) : No, Madam.
(b), (c) & (d) : The problems being faced by the IT industry have been raised by India with the United States (US) Government from time to time at various levels. India has also taken up the matter on US visa fee hike in the Dispute Settlement Body of the World Trade Organization (WTO).
The US has not made any comprehensive changes to the work visa programmes including H-1B visas so far. However, on 18 April 2017, President Trump issued an Executive Order titled "Buy American and Hire American", giving directives to various Departments of the US Government that in order to create higher wages and employment rates for workers in the US and to protect their economic interests, it shall be the policy of the executive branch to rigorously enforce and administer the laws governing entry into the United States of workers from abroad. The Executive Order further gives directives to US officials to suggest reforms to help ensure that H-1B visas are awarded to the most-skilled or highest-paid petition beneficiaries in order to promote the proper functioning of the H-1B visa program.

Similarly, on 31 March 2017, the United States Citizenship and Immigration Services (USCIS) issued a guidance policy memorandum on "H1B computer related positions" according to which, a petitioner seeking to sponsor a beneficiary for a computer programmer position must provide other evidence to establish the position as a specialty occupation, thereby making it harder for companies to use the H-1B visa programme to bring foreign computer programmers into the US.
There are other legislations/bills that have been tabled in the US Congress regarding visa dependent or the so called 50:50 companies. There are also Bills introduced/ legislative proposals being discussed that propose significant restrictions on off-shoring and/or impose border adjustment taxes, however, these proposals have not attained finality.
The Indian Government has made continuous efforts to raise concerns pertaining to IT & ITES industries in different bilateral meetings including in the Trade Policy Forum which is chaired by the Commerce & Industry Minister on the Indian side & the United States Trade Representative on the US side.
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